

AMENDMENT TO H.R. 1
OFFERED BY MR. BILIRAKIS OF FLORIDA

Add at the end of subtitle H of title I of division B
the following new part:

1 **PART 5—DISASTER RELIEF**

2 **SEC. 1741. NONREFUNDABLE PERSONAL CREDIT FOR HUR-**
3 **RICANE AND TORNADO MITIGATION PROP-**
4 **ERTY.**

5 (a) IN GENERAL.—Subpart A of part IV of sub-
6 chapter A of chapter 1 of the Internal Revenue Code of
7 1986 is amended by inserting after section 25D the fol-
8 lowing new section:

9 **“SEC. 25E. HURRICANE AND TORNADO MITIGATION PROP-**
10 **ERTY.**

11 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
12 dividual, there shall be allowed as a credit against the tax
13 imposed by this chapter for the taxable year an amount
14 equal to 25 percent of the qualified hurricane and tornado
15 mitigation property expenditures made by the taxpayer
16 during such taxable year.

17 “(b) MAXIMUM CREDIT.—The credit allowed under
18 subsection (a) for any taxable year shall not exceed
19 \$5,000.

1 “(c) QUALIFIED HURRICANE AND TORNADO MITIGA-
2 TION EXPENDITURE.—For purposes of this section—

3 “(1) IN GENERAL.—The term ‘qualified hurri-
4 cane and tornado mitigation property expenditure’
5 means an expenditure for property—

6 “(A) to improve the strength of a roof
7 deck attachment,

8 “(B) to create a secondary water barrier to
9 prevent water intrusion,

10 “(C) to improve the durability of a roof
11 covering,

12 “(D) to brace gable-end walls,

13 “(E) to reinforce the connection between a
14 roof and supporting wall,

15 “(F) to protect openings from penetration
16 by windborne debris, or

17 “(G) to protect exterior doors and garages,
18 in a qualified dwelling unit located in a qualified
19 State and owned by the taxpayer.

20 “(2) QUALIFIED DWELLING UNIT.—The term
21 ‘qualified dwelling unit’ means a dwelling unit that
22 is assessed at a value that is less than \$1,000,000
23 by the locality in which such dwelling unit is located
24 and with respect to the taxable year for which the
25 credit described in subsection (a) is allowed.

1 “(3) QUALIFIED STATE.—The term ‘qualified
2 State’ means Alabama, Arkansas, Colorado, Con-
3 necticut, Delaware, Florida, Georgia, Hawaii, Illi-
4 nois, Indiana, Iowa, Kansas, Kentucky, Louisiana,
5 Maine, Maryland, Massachusetts, Minnesota, Mis-
6 sissippi, Missouri, Nebraska, New Hampshire, New
7 Jersey, New York, North Carolina, Ohio, Pennsyl-
8 vania, Rhode Island, South Carolina, South Dakota,
9 Tennessee, Texas, or Virginia.

10 “(d) LIMITATION.—An expenditure shall be taken
11 into account in determining the qualified hurricane and
12 tornado mitigation property expenditures made by the tax-
13 payer during the taxable year only if the onsite prepara-
14 tion, assembly, or original installation of the property with
15 respect to which such expenditure is made has been com-
16 pleted in a manner that is deemed to be adequate by a
17 State-certified inspector.

18 “(e) LABOR COSTS.—For purposes of this section,
19 expenditures for labor costs properly allocable to the onsite
20 preparation, assembly, or original installation of the prop-
21 erty described in subsection (c) shall be taken into account
22 in determining the qualified hurricane and tornado mitiga-
23 tion property expenditures made by the taxpayer during
24 the taxable year.

1 “(f) INSPECTION COSTS.—For purposes of this sec-
2 tion, expenditures for inspection costs properly allocable
3 to the inspection of the preparation, assembly, or installa-
4 tion of the property described in subsection (e) shall be
5 taken into account in determining the qualified hurricane
6 and tornado mitigation property expenditures made by the
7 taxpayer during the taxable year.”.

8 (b) CONFORMING AMENDMENT.—The table of sec-
9 tions for subpart A of part IV of subchapter A of chapter
10 1 of such Code is amended by inserting after the item
11 relating to section 25D the following new item:

“Sec. 25E. Hurricane and tornado mitigation property.”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to taxable years beginning after
14 December 31, 2008.

15 **SEC. 1742. BUSINESS RELATED CREDIT FOR HURRICANE**
16 **AND TORNADO MITIGATION.**

17 (a) IN GENERAL.—Subpart D of part IV of sub-
18 chapter A of chapter 1 of the Internal Revenue Code of
19 1986 is amended by inserting after section 45Q the fol-
20 lowing new section:

21 **“SEC. 45R. HURRICANE AND TORNADO MITIGATION CRED-**
22 **IT:**

23 “(a) GENERAL RULE.—For purposes of section 38,
24 the hurricane and tornado mitigation credit determined
25 under this section for any taxable year is an amount equal

1 to 25 percent of the qualified hurricane and tornado miti-
2 gation property expenditures made by the taxpayer during
3 the taxable year.

4 “(b) MAXIMUM CREDIT.—The amount of the credit
5 determined under subsection (a) for any taxable year shall
6 not exceed \$5,000.

7 “(c) QUALIFIED HURRICANE AND TORNADO MITIGA-
8 TION EXPENDITURE.—For purposes of this section—

9 “(1) IN GENERAL.—The term ‘qualified hurri-
10 cane and tornado mitigation property expenditure’
11 means an expenditure for property—

12 “(A) to improve the strength of a roof
13 deck attachment,

14 “(B) to create a secondary water barrier to
15 prevent water intrusion,

16 “(C) to improve the durability of a roof
17 covering,

18 “(D) to brace gable-end walls,

19 “(E) to reinforce the connection between a
20 roof and supporting wall,

21 “(F) to protect openings from penetration
22 by windborne debris, or

23 “(G) to protect exterior doors and garages,
24 in a qualified place of business located in a qualified
25 State and owned by the taxpayer.

1 “(2) QUALIFIED PLACE OF BUSINESS.—The
2 term ‘qualified place of business’ means a place of
3 business that is assessed at a value that is less than
4 \$5,000,000 by the locality in which such business is
5 located and with respect to the taxable year for
6 which the credit described in subsection (a) is al-
7 lowed.

8 “(3) QUALIFIED STATE.—The term ‘qualified
9 State’ means Alabama, Arkansas, Colorado, Con-
10 necticut, Delaware, Florida, Georgia, Hawaii, Illi-
11 nois, Indiana, Iowa, Kansas, Kentucky, Louisiana,
12 Maine, Maryland, Massachusetts, Minnesota, Mis-
13 sissippi, Missouri, Nebraska, New Hampshire, New
14 Jersey, New York, North Carolina, Ohio, Pennsyl-
15 vania, Rhode Island, South Carolina, South Dakota,
16 Tennessee, Texas, or Virginia.

17 “(d) LIMITATION.—An expenditure shall be taken
18 into account in determining the qualified hurricane and
19 tornado mitigation property expenditures made by the tax-
20 payer during the taxable year only if the onsite prepara-
21 tion, assembly, or original installation of the property with
22 respect to which such expenditure is made has been com-
23 pleted in a manner that is deemed to be adequate by a
24 State-certified inspector.

1 “(e) LABOR COSTS.—For purposes of this section,
2 expenditures for labor costs properly allocable to the onsite
3 preparation, assembly, or original installation of the prop-
4 erty described in subsection (c) shall be taken into account
5 in determining the qualified hurricane and tornado mitiga-
6 tion property expenditures made by the taxpayer during
7 the taxable year.

8 “(f) INSPECTION COSTS.—For purposes of this sec-
9 tion, expenditures for inspection costs properly allocable
10 to the inspection of the preparation, assembly, or installa-
11 tion of the property described in subsection (c) shall be
12 taken into account in determining the qualified hurricane
13 and tornado mitigation property expenditures made by the
14 taxpayer during the taxable year.”.

15 (b) CONFORMING AMENDMENTS.—

16 (1) Section 38(b) of such Code is amended by
17 striking “plus” at the end of paragraph (34), by
18 striking the period at the end of paragraph (35) and
19 inserting “, plus”, and by adding at the end the fol-
20 lowing new paragraph:

21 “(36) the hurricane and tornado mitigation
22 credit determined under section 45R(a).”.

23 (2) The table of sections for subpart D of part
24 IV of subchapter A of chapter 1 of such Code is

1 amended by inserting after the item relating to sec-
2 tion 45Q the following new item:

“Sec. 45R. Hurricane and tornado mitigation credit.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2008.

